

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Industrial Supply Corp.

Virginia's A.L. Philpott Manufacturing Extension Partnership

Lean Supply Chain Management Increases Capacity for Industrial Supply Corporation

Client Profile:

Industrial Supply Corporation (ISC), a distributor of maintenance, repair and operational supplies, has seen steady growth since its inception in 1933 in Richmond, Virginia. Throughout that time, the company has opened new offices and extended its product lines and service area by acquiring several industrial equipment and component vendors. The Richmond headquarters employs a staff of approximately 50 people.

Situation:

In 2003, a major customer of ISC, Northrop Grumman Newport News (NGNN), deployed a strategic, nationwide program with Virginia's Philpott Manufacturing Extension Partnership (VPMEP), a NIST MEP network affiliate, to extend the development of lean manufacturing concepts and methods to its suppliers. NGNN uses lean tools to support process excellence. ISC agreed to participate in the Lean Supply Chain Management Program, which continues to generate significant improvements in quality, delivery, and shared cost reductions for NGNN and its suppliers.

Solution:

VPMEP Project Manager Mark Oakes observed a typical work day at the ISC warehouse in Richmond and reported that immediate decreases in wasteful processes and disruption of flow would result from greater use of visual aids and work documentation. Oakes and VPMEP Project Manager Denis Klisz facilitated a workshop for the staff on 5S Visual Systems and Workplace Organization. The 5S program is a methodology for organizing, cleaning, developing, and sustaining a productive work environment and consists of five component parts: Sort, Shine, Set in order, Standardize, and Sustain. ISC took action by creating standardized labeling, some static, others portable or erasable, and creating signage to monitor and emphasize customer service and quality metrics, as well as department accuracy. Methods improvements were also implemented to improve order preparation and material sorting and storage practices. Oakes determined that layout improvements could reduce travel time as well as minimize or eliminate double and tripling handling of material.

Results:

- * Increased business by \$100,000.
- * Produced \$10,000 savings in labor costs.

Testimonial:

"To be honest, we were a bit skeptical in the beginning because the program seemed designed more around manufacturing and we are a distributor. But they made some very useful suggestions that were relatively easy and inexpensive to implement. Some of them were pretty simple but many times it takes an outside eye to observe things that you can't see internally because you are so busy with day

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to day that you don't stop to notice. Their [VPMEP] recommendations definitely resulted in improved efficiency in our operations."

Scott Williams, Executive Vice President